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ABSTRACT

Statistics reveal that 61% of older Canadian women who are unattached to a male partner live in poverty. Two primary factors why women are especially vulnerable to poverty are their financially dependent status and their inequality in the work force. Even women who have worked outside the home are more vulnerable to poverty in old age than their male counterparts for the following reasons: the gap between men's and women's wages; segregation of women into low-paying jobs; the inability of many women to either find or accept full-time work offering benefits and pensions because of their need to balance the demands of family responsibilities and work; and the need for women to move in and out of the work force to accommodate childbearing and raising and/or to care for aging parents or spouses. Canadian women over the age of 65 are heavily reliant on three federal pension programs: Old Age Security, the Canada Pension Plan, and guaranteed income supplements to subsidize low-income pensioners. Saskatchewan women are also eligible for two provincial supplements to the federal pension: The Saskatchewan Income Plan and the Saskatchewan Citizen's Heritage Program. Policymakers must recognize that older women are not to blame for their poverty and must work for pension reform and equality in the workplace. (An annotated list of 18 print, audiovisual, and community resources is included.) (MN)

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Lifecycle Learning Sheet

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OLDER WOMEN AND POVERTY

Lorraine Waldo worked hard for 15 years after her marriage ended, but had to take early retirement when she became ill. When she received her first pension cheque for \$190.00, she wondered how she could be expected to survive on so little. In her fifties, she was too young to qualify for Old Age Security.

Elvira Casteneda left the Philippines to take post graduate training in medicine. She discontinued her schooling when she married and started a family. Elvira's husband graduated from medicine and Elvira stayed home and took care of the children. When her husband was killed in a car accident, and Elvira was left to care and provide for four children ages 7 to 16.

After ten years, the life insurance money ran out. Despite her education, Elvira was unable to find work. Her financial struggle became so difficult that at one point she and her son had only bread and water to eat.

Elvira believes that her daughters will work outside of the home even if they marry and have children. They do not want to end up like her.

Lilja Stefansson was seven months pregnant with her second child when her husband left her. It was post World War II and mother's allowance was not available in Manitoba. Lilja moved to Saskatchewan in order to qualify. Mother's allowance provided enough money so that she no longer had to work as a housekeeper to earn room and board. It was a relief to move her young family into their own two-room house at the edge of a prairie town.

Lilja hopes that younger women will take the opportunity to further their education and seek better paying jobs, so that they do not have to depend on a husband for their financial well-being.

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Anne Hunter realizes that if anything happened to her husband, her whole life would change. Although they are both independent people, Anne does not drive and would have to rely on other family members for transportation. She would dread moving to the city from her farm home. The other major change is that Anne would lose half of the household income. With meager savings in the bank, the most she

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would have to live on would be \$800.00 each month from the Canada Pension Plan.

* *

Chris Blondeau-Perry knows what it is to be a Metis woman and to be older in this society. As she grew up, the only work she could find was physical labour. She worked on farms, helping with the harvest and looking after the cattle. All of the jobs were low-paying and she was unable to put away any money for her older years.

Chris raised her children on her own, managing to feed them, clothe them, and keep a roof over their heads. Today she lives in a small house in a rural area, with her stove element and a small electric heater as her only source of heat.

* *

These are stories of Saskatchewan women who have survived despite many factors which contributed to their poverty.

THE ISSUES AND STATISTICS

Statistics reveal that the circumstances of these women are not unique.

- 61 per cent of all older Canadian women (55 plus) who are unattached to a male partner live in poverty. (Statistics Canada, 1986)
- In 1992, the average income for women over 65 in Saskatchewan was \$10,000, almost 20 per cent below the poverty line. (Saskatchewan Seniors' Secretariat, 1992)
- When a woman is divorced, her standard of living drops by 73 per cent in the first year. (Canadian Advisory Council on the Status of Women, 1990)

There are many reasons why women are vulnerable to poverty, particularly in their older age. Two primary factors are women's

financially dependent status and inequality in the workforce.

1) Financial dependence on a male partner and unpaid work

Women have made tremendous contributions to the well-being of their families and communities through hours and hours of unpaid work. Traditionally, their husbands have been the economic providers, and women have raised their children and provided a comfortable home environment. However, if the marriage breaks down or the husband dies, the woman's personal poverty, which was masked by the household income, becomes evident.

The likelihood of poverty in old age, therefore, is closely related to family status. Women who are attached to a male partner do not have a high poverty rate. It is the unattached older woman who is most likely to be poor. In Canada, 11 out of 12 women outlive their husbands.

Rural women have particular needs and concerns. Making a living on the family farm has become very difficult in recent years. If a farm woman is widowed, she is often faced with unpaid debts, children who may not be interested in farming, and a farm which may no longer be financially viable. Old age security may be her only source of income as she is unlikely to have a pension plan. Often women are forced to leave the farm they have devoted their lives to, and move into town.

2) Inequality in the workforce

Older women's poverty begins when they are young women and continues throughout their lives. Even if women have worked outside of the home, it does not guarantee financial security in their older age.

a) *The Wage Gap.* One of the realities that contributes to older women's poverty is that women consistently earn less than men. Women earn 67 per cent of what men earn, i.e. for every dollar a man earns, a woman earns 67 cents. The wage gap applies to every occupational category.

The average income of women in their working years is similar to that of women over the age of 65, around \$10,000 annually. While there is little difference between the incomes of younger women and older women, there is a significant difference between the incomes of women and men at all ages.

While both men and women experience a decline in their income as they grow older, there is a greater decrease in men's incomes than women's after age 55--women's incomes have been lower all along. (See Figure 1)

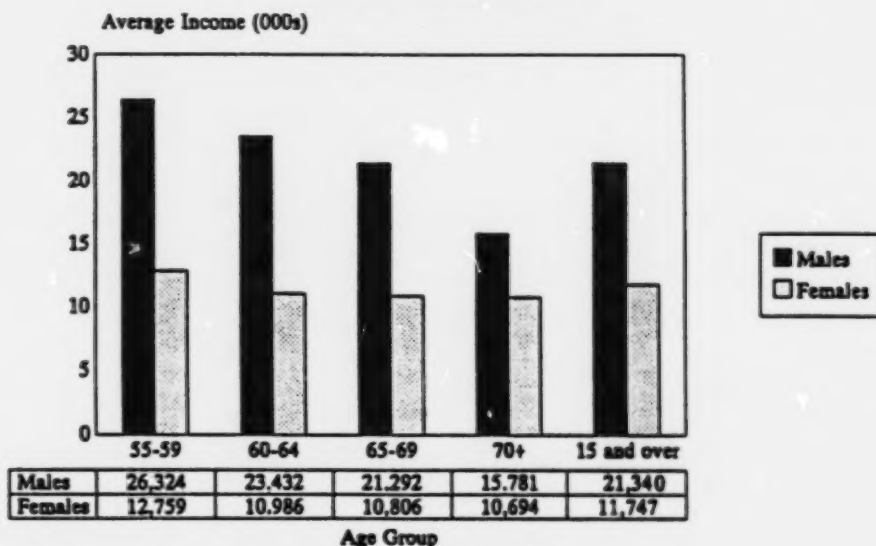
Low income women aged 55-64 are in a terrible bind as they may be considered too old to start new jobs and too young to retire.

b) *Job Segregation.* While more and more women work outside the home, they are still segregated in low paying jobs.

62 per cent of women are employed in low paying clerical, sales or service industry jobs. Many of these occupations do not have pension plans and, since they are poorly paid, the contributions to the Canada Pension Plan or any personal pension plan is very small.

c) *Part-time work.* 70 per cent of all part-time workers are women. Some women have attempted to balance the demands of family responsibilities and work by taking part-time jobs. Others have been unable to find full-time work. More and more employers, especially in service industries, are moving toward part-time work. This saves the employer money in wages, benefits and pensions for their employees. Most part-time workers do not receive any benefits or pensions at all.

FIGURE 1
AVERAGE TOTAL INCOME
BY GENDER AND AGE GROUP
SASKATCHEWAN, 1985



Source: 1986 Census of Canada, Statistics Canada, Catalogue 93-114.

d) *Non-continuous work patterns.* Women move in and out of the workforce to accommodate childbearing and raising, and to provide care for aging parents or spouses. This disrupts women's contributions to pension plans, and reduces their opportunities for promotion to higher paying jobs.

All of these factors--lower wages, part-time work, non-continuous work patterns and job segregation--contribute to low pensions or no pensions for women when they retire.

Public Pension Plans

Women over 65 are heavily reliant on public pension plans. There are three federal pension programs. To qualify the recipient must be age 65 or over.

a) *Old Age Security.* All Canadians are eligible for OAS at the age of 65 provided they have lived in Canada for 10 years. This presents difficulties for immigrant women who moved to Canada in their older years.

b) *Canada Pension Plan.* Everyone who works for a salary pays into the Canada Pension Plan. However, women who have never worked outside of the home are excluded from this plan, despite their years as a homemaker. If a male spouse dies, the survivor pension in 1990 was only \$333.75 per month. The wife may have no other source of income and may not be old enough for Old Age Security. Since a woman's working income is approximately two-thirds that of men, payment received from CPP is proportionately lower.

c) *Guaranteed income supplement* subsidizes low-income pensioners whose total income falls below a level set by the federal government. 79 per cent of all single recipients of the supplement are women.

More information about Old Age Security, Canada Pension Plan and Guaranteed Income Supplement is available by

telephoning Health and Welfare Canada. The toll-free number is 1-800-661-3921.

d) *Provincial supplements* to the federal pension plans vary. In Saskatchewan, there are two programs which are administered through the Saskatchewan Seniors' Secretariat:

i) The Saskatchewan Income Plan provides monthly benefits to seniors who have little income other than the Old Age Security Pension and the Guaranteed Income Supplement provided by the Federal Government. The majority of recipients are unattached women.

ii) The Saskatchewan Citizens' Heritage Program provides annual grants to seniors with lower incomes. For more information about either program, contact the Saskatchewan Seniors' Secretariat at this toll free number: 1-800-667-7161.

The survivor benefits from a spouse's private pension varies. In most cases, wives will receive only half of the pension after their husband dies.

NECESSARY CHANGES

Older women are not to blame for their poverty. There are many reasons why women experience poverty in their older age. Pension reform and equality in the workplace are important areas to recognize, understand and to work together to change, so that more women can live their older years with greater comfort and dignity.

PRINT RESOURCES

Canadian Fact Book on Poverty, published by the Canadian Council for Social Development, Ottawa, 1989. Available at Regina Public Library, Inter-Library Loan Service or the

Women's Inter-Church Council of Canada, 77 Charles Street West, Toronto, Ontario, M5S 1K5.

Mandate Special Edition: a general resource including "Older Women and Economics", Vol. 22, No. 3, 1991. Available from The United Church Publishing House, 85 St. Clair Avenue East, Toronto, Ontario M4T 1M8.

Minister's Consultation: Background Paper. Prepared for the Saskatchewan Senior Citizens' Provincial Council. Includes demographic information and economic realities of seniors in Saskatchewan. January 1992. Available from Saskatchewan Seniors' Secretariat, 2151 Scarth Street, Regina, Saskatchewan, S4P 3Z3. Toll free: 1-800-667-7161.

No Way to Live: Poor Women Speak Out, by Sheila Baxter, New Star Books, Vancouver, 1989. Available from Regina Public Library, Inter-Library Loan Service or the Women's Inter-Church Council of Canada, 77 Charles Street West, Toronto, Ontario, M5S 1K5.

Small Expectations: Society's Betrayal of Older Women. Leah Cohen. Toronto, McClelland and Stewart, 1984. Available at Regina Public Library or through the Inter-Library Loan Service.

Women, Poverty and the Economy, the first of the Ecumenical Decade Series published by the World Council of Churches, sub-unit on Women in Church and Society, 1989. Available from The Women's Inter-Church Council of Canada, 77 Charles Street West, Toronto, Ontario, M5S 1K5.

AUDIO VISUAL RESOURCES

All Of Our Lives

VHS

Skyworks/NFB*

1983

All of Our Lives examines the reasons why many women face economic hardship and emotional isolation in old age. Older women from a variety of backgrounds and circumstances recall their girlhood ideals, and contrast them with the experiences of their actual adult lives. The film challenges audiences to re-evaluate the undervalued and often "invisible" world of child-rearing and work in the home.

A Fine Line

VHS

The Ecumenical Taskforce on the Feminine Face of Poverty

1990

Three Canadian women's stories about their struggles with poverty. They are some of the invisible poor in our communities. The video discusses the fine line between being economically secure and being poor. Available from the Seniors' Education Centre, University Extension, University of Regina, AG 106 Art Gallery, Regina, Saskatchewan, S4S 0A2. Telephone: 779-4816.

No Way Not Me

VHS

National Film Board*

1987

Former B.C. cabinet minister, social activist, and educator Rosemary Brown speaks to high school students on women and poverty.

Older Women and Poverty

VHS

Vision TV

1992.

Saskatchewan older women from diverse backgrounds talk about their experiences of poverty. Reveals how vulnerable all women are to economic hardship in their later years. Available at the Seniors' Education Centre, University Extension, University of Regina, AG 106 Art Gallery, Regina, Saskatchewan, S4S 0A2. Telephone: 779-4816.

On Our Own

VHS

National Film Board*

1984

In Canada, three out of five poor adults are women. This video attempts to explain why by focusing on two women. One divorced, the other widowed, they find themselves in financial difficulty, neither having been trained for wage-earning work.

*Except where noted all of the videos are available from the National Film Board, 424 - 21st Street East, Saskatoon, Saskatchewan, S7K 0C2

COMMUNITY RESOURCES

Creating Prairie Cronies - The Older Women's Network

Seniors' Education Centre

University Extension

University of Regina

Regina, Saskatchewan S4S 0A2

779-4729

CPC works with groups of older women in Saskatchewan particularly in the rural areas, to identify non-formal learning needs, related to health, education and community issues.

The Ecumenical Task Force on the Feminine Face of Poverty

Women's Inter-Church Council of Canada

77 Charles Street West

Toronto, Ontario M5S 1K5

(416) 22-6177

Created in 1987 by an ecumenical group of women to address the problem of the feminization of poverty, analyze its cause and propose a church response.

Regina Council On Aging

Box 3262

Regina, Saskatchewan S4P 3H1

352-3119

A non-profit organization interested in improving the quality of life for elderly persons.

Saskatoon Council on Aging

Box 7091

Saskatoon, Saskatchewan S7k 4J1

652-2255

Promotes dignity, health and independence of older adults.

Action Now

310 Avenue F South

Saskatoon, Saskatchewan S7M 1T2

244-6408

Social action group working to improve and ensure adequate and equitable living standards for the elderly.

Saskatchewan Seniors Secretariat

2151 Scarth Street

Regina, Saskatchewan S4P 3Z3

787-7478

Provides income supplements to seniors with lower incomes.

Bridging Program for Women

2505 23rd Avenue

Regina, Saskatchewan S4P 3A3

787-9084

Provides women with a variety of learning experiences designed to prepare them for employment or education. Includes personal development, career planning, academic programs, computer training, work placement.

Sources of statistical information in this publication:

- Statistics Canada
- National Council on Welfare
- Saskatchewan Action Committee on the Status of Women
- Welfare Rights Regina
- Saskatchewan Seniors' Secretariat

THE LIFECYCLE LEARNING SHEETS are a publication of **CREATING PRAIRIE CRONIES** (CPC), the Saskatchewan older women's network. Funded by the Health Promotions Directorate, Health and Welfare Canada, CPC is an outreach and education program of the Seniors' Education Centre, University Extension, University of Regina. For more information please contact Ruth Blaser, coordinator for **CREATING PRAIRIE CRONIES** at 779-4729.

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